

IN THE DRAWINGS

Please amend the drawings as follows:

Please replace sheets 1/16, 4/16, 5/16, and 7/16 with the attached Replacement Sheets showing FIGS. 1, 4-5, and 7 on new sheets 1/16, 4/16, 5/16, and 7/16, with the changes indicated in red in the attached Annotated Sheets Showing Changes, attached as an appendix to the present amendment.

REMARKS

The courtesy of the examiners Jenise E. Jackson and Zia Syed extended to the inventor and his representatives in a personal interview conducted at the U.S. Patent and Trademark Office on December 7, 2006 is greatly appreciated.

The Amendments

Claims 1, 12, 16, 21-22, 25-26, 29-32, 43, and 46-47 are amended. Claims 1-32 and 43-52 are pending.

FIGS. 1, 4-5, and 7 are amended. Such amendments are entered in the attached Replacement Sheets, as well as being shown in red in the attached Annotated Sheets Showing Changes.

The amendments to the specification, drawings, and claims are based on the application as originally filed, so it is respectfully submitted that no new matter has been added. The amendments to the specification and FIGS. 4-5 and 7 are to correct minor typographical errors. FIG. 1 is amended to clarify that the PADs are only connected to the PSPs. The amendment to FIG. 1 is based on, for example, page 12, lines 16-17 of the application as originally filed, corresponding to paragraph [0048] of the published application, so that no new matter has been added.

The Amended Claims Are Patentable Over the Art

In the office action, claims 1-32 and 43-52 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent Number 6,275,824 to O'Flaherty.

Independent claims 1, 16, 22, 26, 30-32, 43, and 47 are amended to clarify that the present invention operates in a distributed environment in which each of a number of subscribers has a personal access device and each personal access device (PAD) interacts in a system with a

privacy provider, a privacy network, and a plurality of vendors connected to a wide area network, and conducts a transaction with privacy for a subscriber using the PAD.

Each PAD has memory for storing unique Privacy Subscriber Identification (PSID) data corresponding to the subscriber to the system which uniquely identifies the PAD, and thereby the subscriber. Each PAD also includes a profile, at least a portion of which is stored on a Privacy Service Provider (PSP) which acts as the privacy provider. Each of the vendors must be registered with a Privacy Shield Network (PSN) as the privacy network in order for the vendors to conduct transactions involving the subscriber.

Under conditions dictated by the subscriber's profile (as established by the subscriber), a transaction is conducted either automatically or manually, and a registered vendor (RV) involved in the transaction has communications with the PSN to complete the transaction and without access to the personal data of the subscriber, thereby preserving the privacy of the subscriber throughout the transaction.

As noted above, applicant's system is based on a distributed database, where each subscriber maintains her own personal profile on her PAD. In contrast, O'Flaherty is concerned with maintaining a centralized database. Each of O'Flaherty's customers (e.g., subscribers) has an assigned set of rows and/or columns where privacy preferences can be entered from a remote location by the customer. The entity maintaining the centralized database continues to add transaction information that define the customers' buying patterns. The information in the centralized customer database can then be sold to telemarketers, direct mail merchants or otherwise used by the maintaining entity, in accordance with the preferences, (if any), entered by the customer.

In one embodiment, the customer is provided with a loyalty card, or the like, on which the customer's current privacy preferences, as recorded in the lines and columns of the centralized database, are stored. However, there is no way by which the customer can change the preferences on the loyalty card except by interactively engaging the card with a kiosk or other terminal that is in communication with the centralized database. Obviously, the customer cannot "read" her preferences from the card without a terminal monitor that is in communication with the centralized database.

This system disclosed and the methods of operation taught by O'Flaherty would not suggest to one of ordinary skill in the art the applicant's PAD upon which the user enters and maintains her own privacy profile. Neither does O'Flaherty suggest maintaining a portion of the subscriber's profile with a privacy service provider (PSP) as required by applicant's claims.

Likewise, one having ordinary skill in the art would not look to O'Flaherty for the elements, steps, and features of pending claims 1-32 and 43-52. O'Flaherty lacks a PAD having memory for storing unique Privacy Subscriber Identification (PSID) data corresponding to a subscriber to the system which uniquely identifies the PAD with the subscriber, with each PAD also including the subscriber's profile, at least a portion of which is stored on a Privacy Service Provider (PSP) which acts as the privacy provider, and with the vendors registered with a Privacy Shield Network (PSN) as the privacy network in order for the vendors to conduct transactions involving the subscriber, such that, under conditions dictated by the subscriber's profile, a transaction is conducted either automatically or manually, and a registered vendor involved in the transaction has communications with the PSN to complete the transaction and without access to personal data of the subscriber, thereby preserving the privacy of the subscriber throughout the transaction.

Therefore, claims 1-32 and 43-52 are patentable over O'Flaherty, and favorable reconsideration and withdrawal of the rejection of claims 1-32 and 43-52 are respectfully requested.

Accordingly, entry and approval of the present amendment and allowance of all pending claims are respectfully requested.

Extension of Time

A separate Petition for a three-month extension of time and fee authorization is being filed with this Amendment.

In case of any deficiencies in fees occasioned by the filing of the present amendment, the Commissioner is hereby authorized to charge such deficiencies in fees to Deposit Account Number 01-0035.

Respectfully submitted,



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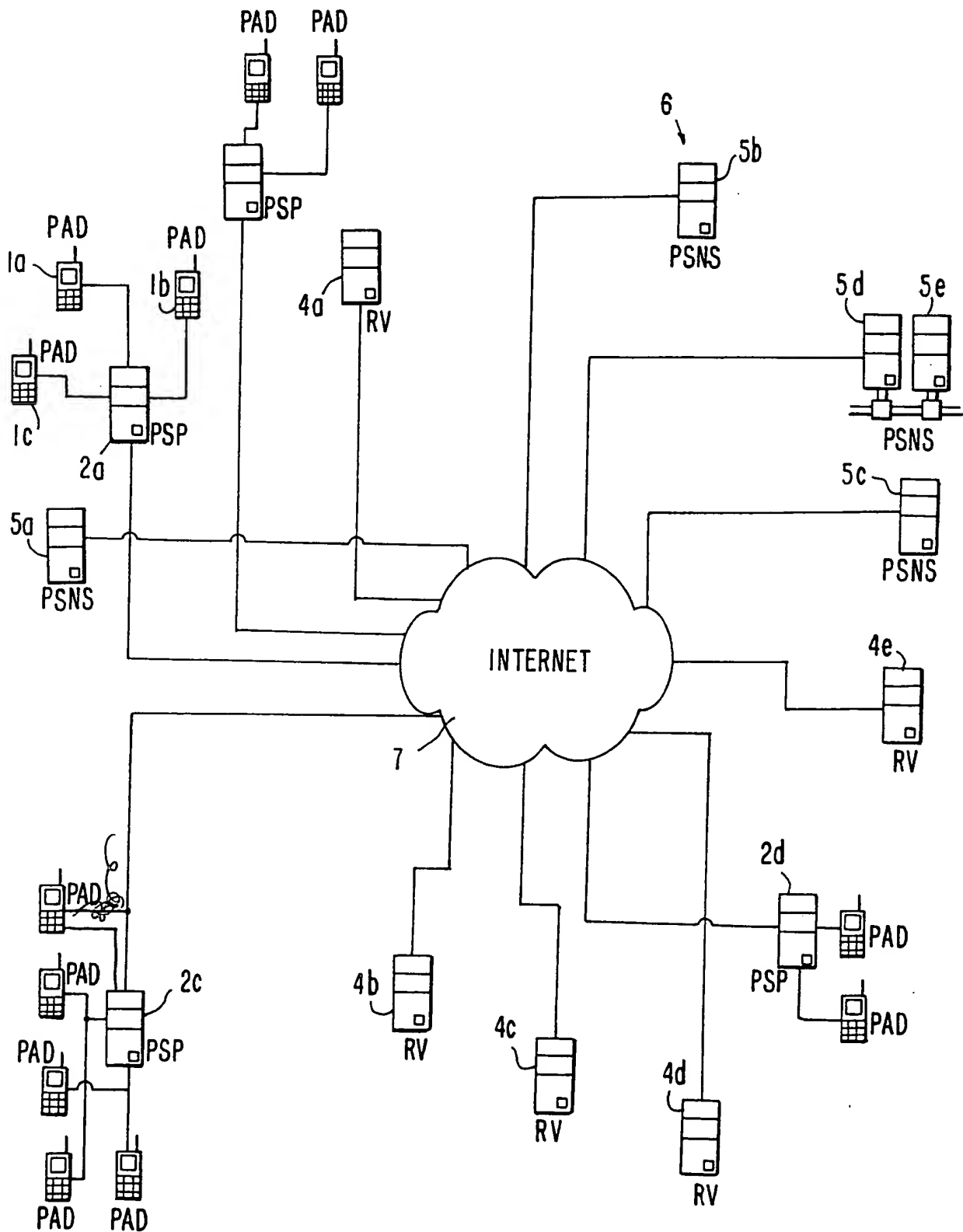
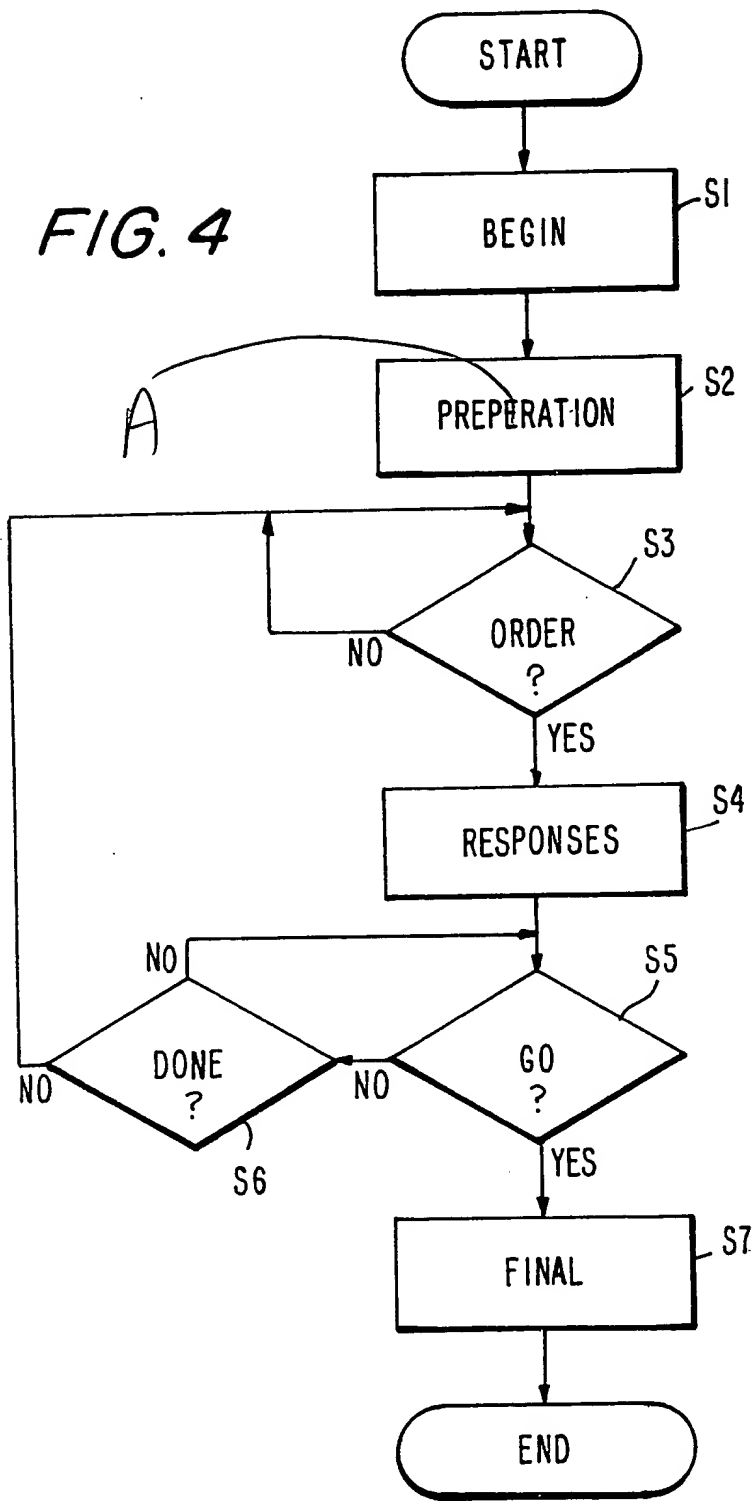


FIG. 1



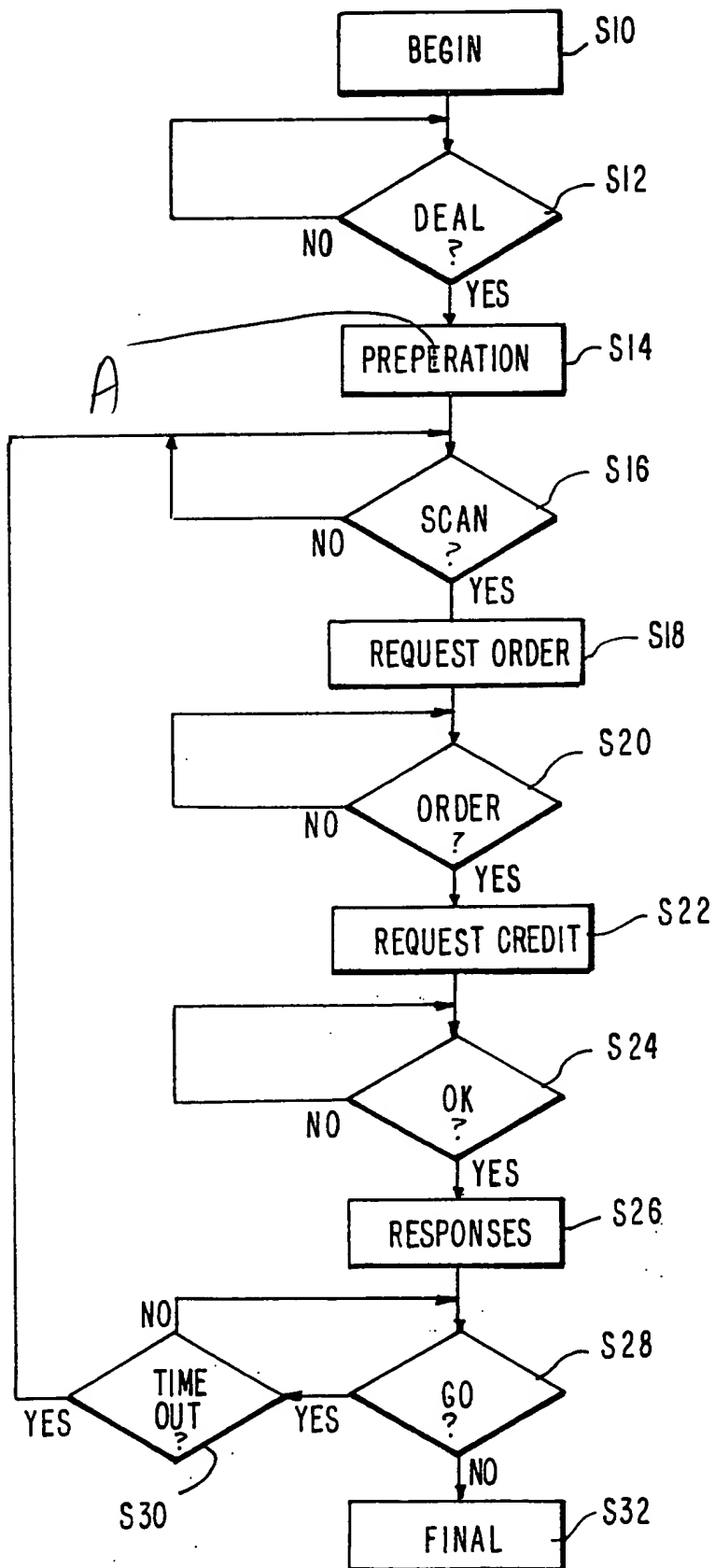


FIG. 5

7/16
ANNOTATED SHEET SHOWING CHANGES

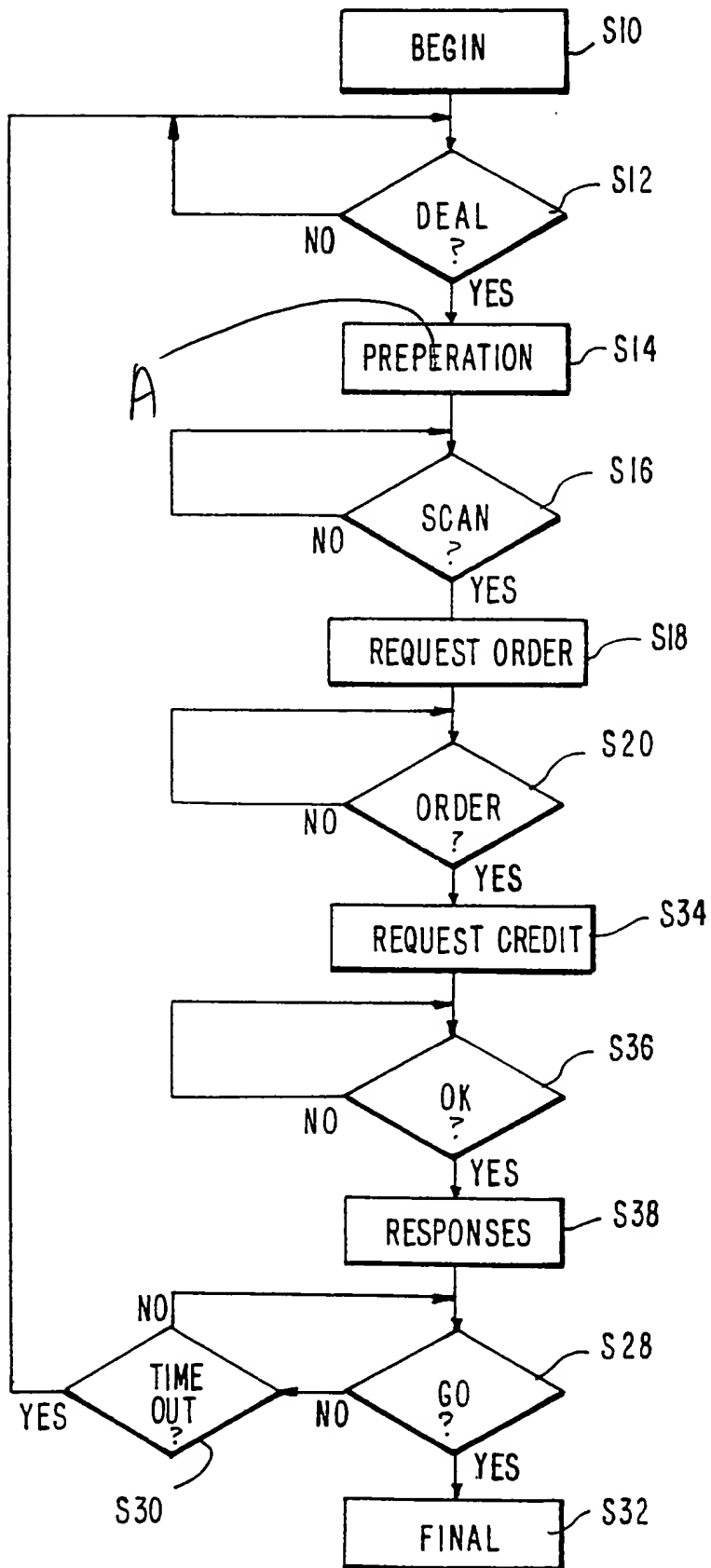


FIG. 7